

WASHINGTON, D.C. - The U.S. Department of Commerce on Tuesday awarded the Santa Cruz Redevelopment Agency a \$4.7 million Economic Development Administration grant to create a business incubator at the Salz Tannery.

"It became clear at the beginning of the year that if we're going to pull our economy out of this slump, we have to start at the local level," said Congressman Sam Farr (D-Carmel), who has fought in the past for grants to redevelop the Salz Tannery site. "Development grants like the one Santa Cruz is receiving through the Recovery Act are going to create the jobs and offer the capital that our communities need to really jumpstart a serious economic upturn."

The grant will be used to further renovate the Salz Tannery site -- including the Tanyard Building and the Beam House -- to create a Digital Media Center business incubator. This high-tech business incubator will promote entrepreneurship and innovation and spur development of the region's media production industry cluster.

"We're grateful that the EDA has decided to make such a significant investment in our economy," said Bonnie Lipscomb, Santa Cruz's Director of Economic Development and Redevelopment. "Through our efforts at the Tannery, we hope to generate high-paying, permanent jobs in Santa Cruz in digital media and creative arts as well as cement the region's reputation for innovation and entrepreneurship."

The project was made possible by funds the Economic Development Administration received under the American Recovery and Reinvestment Act, signed into law in February. The Recovery Act was crafted to create jobs and boost development in parts of the country hit hard by the recession.

"The Obama Administration is committed to creating jobs, encouraging innovation and improving our nation's economic competitiveness," said Commerce Secretary Gary Locke. "This grant will help create new jobs and boost private investment in the Santa Cruz region by providing entrepreneurs in the digital media field with the space and technical assistance they need to grow and create new higher-skill, higher-wage job opportunities."

The Economic Development Administration is an agency within the Department of Commerce tasked with supporting the economic development needs of distressed communities throughout the country. Its mission is to lead the federal economic development agenda by promoting innovation and competitiveness and preparing American regions for growth and success in the worldwide economy.

"I am so pleased that the Santa Cruz community will receive this grant to help create a business incubator," added Senator Barbara Boxer (D-Calif.). "This funding will create jobs and boost the region's economy, and it could not come at a more critical time."

For more information about the Santa Cruz Economic Development and Redevelopment Agency, visit <http://www.cruzbusiness.com/>. For more information on the Economic Development Administration, visit <http://www.eda.gov/>.

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